



Applaa ACCA Practice Mock 213

Mock Practice Exam Booklet

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Instructions & Study Method

Welcome to your Applaa offline practice booklet. Please follow these guidelines to maximize your learning outcome:

- 1. Distraction-Free Practice:** Solve the multiple-choice questions in Section 1 under timed conditions. Do not look for shortcuts or answers until you are completely done.
- 2. Check & Submit Online:** We have intentionally excluded the answer key from this printout. To get your score, see worked solutions, and track your progress metrics, open: <https://applaa.com/practice/check?exam=acca&paper;=213> on any browser. Bubble in your answers in our digital check sheet.
- 3. Learn with Appy Buddy (AI Socratic Tutor):** Applaa is a 100% ad-free educational space. Our online AI Tutor guides you step-by-step through questions you get wrong, showing you how to solve them rather than just giving you the answer.

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Section 1: Practice Questions

Question 1 — [Financial Accounting / VAT Computations]

Zephyr Services LLP purchased a motor car for £8,000 inclusive of VAT, for use by a director. The car is used 60% for business travel and 40% for private travel. What is the input VAT recovery rule regarding this vehicle?

- A: Input VAT can be recovered in full (100%).
- B: Input VAT can be recovered at 60% representing the business use portion.
- C: No input VAT can be recovered because input VAT is generally blocked on passenger motor cars unless used exclusively for business (0% recovery).
- D: Input VAT can be recovered in full if the car is leased rather than purchased.

Question 2 — [Financial Accounting / Trial Balance Reconciliation]

The trial balance of Apex Trading Ltd balanced perfectly. However, it was later discovered that a purchase of equipment costing £22,000 was entered into the repairs and maintenance account. What type of error has occurred?

- A: Error of Omission
- B: Error of Commission
- C: Error of Principle
- D: Error of Reversal

Question 3 — [Financial Accounting / Asset Valuation and Depreciation]

An entity purchased a machine on 1 January Year 1 for £70,000. The residual value of the machine is estimated to be £7,000 with an estimated useful life of 15 years. The entity uses the straight-line method of depreciation. What is the carrying value (net book value) of the machine on 31 December Year 2?

- A: £65,800
- B: £61,600
- C: £54,600
- D: £58,800

Question 4 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Solar Energy plc prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £1,500. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £750 was completely omitted from the books.
- B: A cash payment of £750 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £750 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £750 was debited to the Purchase Returns account and credited to Receivables Control.

Question 5 — [Financial Accounting / Double-Entry Bookkeeping]

For the year ended 31 December, Apex Trading Ltd paid rent of £3,600. At the year-end, the company had an outstanding electricity invoice of £300 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £300, Credit Electricity Expense £300
- B: Debit Electricity Expense £300, Credit Accruals (Liabilities) £300
- C: Debit Cash £300, Credit Electricity Expense £300
- D: Debit Electricity Expense £300, Credit Prepayments (Assets) £300

Question 6 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Apex Trading Ltd is shown in the diagram. Credit sales of £15,000 were recorded, and cash of £12,000 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £10,500 Debit closing balance
- B: £10,500 Credit closing balance
- C: £22,500 Debit closing balance
- D: £12,000 Credit closing balance

Question 7 — [Financial Accounting / Double-Entry Bookkeeping]

The sole trader of Alpha Properties Ltd took goods costing £9,000 from the business for personal use. These goods had a selling price of £13,500. What is the correct double entry to record this transaction?

- A: Debit Drawings £9,000, Credit Purchases £9,000
- B: Debit Drawings £13,500, Credit Revenue £13,500
- C: Debit Purchases £9,000, Credit Drawings £9,000
- D: Debit Inventory £9,000, Credit Drawings £9,000

Question 8 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Titan Steel plc prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £180. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £90 was completely omitted from the books.
- B: A cash payment of £90 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £90 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £90 was debited to the Purchase Returns account and credited to Receivables Control.

Question 9 — [Financial Accounting / Double-Entry Bookkeeping]

At 31 March, the bank statement of Nova Tech Solutions Ltd shows a credit balance of £4,800. Unpresented checks total £1,200, and outstanding uncleared lodgements total £600. What is the reconciled balance that should appear in Nova Tech Solutions Ltd's cash book?

- A: £4,200
- B: £5,400
- C: £6,600
- D: £3,000

Question 10 — [Financial Accounting / VAT Computations]

Titan Steel plc purchased a motor car for £84,000 inclusive of VAT, for use by a director. The car is used 60% for business travel and 40% for private travel. What is the input VAT recovery rule regarding this vehicle?

- A: Input VAT can be recovered in full (100%).
- B: Input VAT can be recovered at 60% representing the business use portion.
- C: No input VAT can be recovered because input VAT is generally blocked on passenger motor cars unless used exclusively for business (0% recovery).
- D: Input VAT can be recovered in full if the car is leased rather than purchased.

Question 11 — [Financial Accounting / Double-Entry Bookkeeping]

At 31 March, the bank statement of Aura Goods Ltd shows a credit balance of £88,000. Unpresented checks total £22,000, and outstanding uncleared lodgements total £11,000. What is the reconciled balance that should appear in Aura Goods Ltd's cash book?

- A: £77,000
- B: £99,000
- C: £121,000
- D: £55,000

Question 12 — [Financial Accounting / VAT Computations]

Crest Hotels Ltd purchased a motor car for £18,000 inclusive of VAT, for use by a director. The car is used 60% for business travel and 40% for private travel. What is the input VAT recovery rule regarding this vehicle?

- A: Input VAT can be recovered in full (100%).
- B: Input VAT can be recovered at 60% representing the business use portion.
- C: No input VAT can be recovered because input VAT is generally blocked on passenger motor cars unless used exclusively for business (0% recovery).
- D: Input VAT can be recovered in full if the car is leased rather than purchased.

Question 13 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Nova Tech Solutions Ltd was £120,000. An error was discovered: Closing inventory was overstated by £9,600. What is the revised profit after correcting this error?

- A: £129,600
- B: £110,400
- C: £120,000 (no effect on profit)
- D: £100,800

Question 14 — [Financial Accounting / VAT Computations]

For the last quarter, Nexus Media plc had net credit sales of £220,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £132,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £22,000 Payable
- B: £22,000 Reclaimable
- C: £44,000 Payable
- D: £17,600 Payable

Question 15 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Meridian Distributors Ltd is shown in the diagram. Credit sales of £3,600 were recorded, and cash of £2,880 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £2,520 Debit closing balance
- B: £2,520 Credit closing balance
- C: £5,400 Debit closing balance
- D: £2,880 Credit closing balance

Question 16 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Summit Manufacturing Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £1,800. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £900 was completely omitted from the books.
- B: A cash payment of £900 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £900 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £900 was debited to the Purchase Returns account and credited to Receivables Control.

Question 17 — [Financial Accounting / Double-Entry Bookkeeping]

The sole trader of Atlas Transport Ltd took goods costing £600 from the business for personal use. These goods had a selling price of £900. What is the correct double entry to record this transaction?

- A: Debit Drawings £600, Credit Purchases £600
- B: Debit Drawings £900, Credit Revenue £900
- C: Debit Purchases £600, Credit Drawings £600
- D: Debit Inventory £600, Credit Drawings £600

Question 18 — [Financial Accounting / Asset Valuation and Depreciation]

Beacon Logistics LLP completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £60,000, and 2) Had the exterior of the existing office block repainted for £6,000. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£60,000), Repainting: Revenue Expenditure (£6,000)
- C: Warehouse system: Revenue Expenditure (£60,000), Repainting: Capital Expenditure (£6,000)
- D: Both projects are Revenue Expenditure.

Question 19 — [Financial Accounting / VAT Computations]

A retail store, Genesis Enterprises Ltd, purchased inventories for a gross total of £16,500 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Genesis Enterprises Ltd?

- A: Net Cost: £13,750, VAT Recoverable: £2,750
- B: Net Cost: £16,500, VAT Recoverable: £3,300
- C: Net Cost: £13,200, VAT Recoverable: £3,300
- D: Net Cost: £13,750, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 20 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Beacon Logistics LLP is shown in the diagram. Credit sales of £15,000 were recorded, and cash of £12,000 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £10,500 Debit closing balance
- B: £10,500 Credit closing balance
- C: £22,500 Debit closing balance
- D: £12,000 Credit closing balance

Submit Answers & Check worked Solutions

■ Section Complete!

You have completed this practice exam paper. To check your answers and view step-by-step worked explanations:

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Simply bubble in your choices (e.g. A, B, C, D) and get instantly scored! You can then review the explanations or chat with Appy Buddy (AI Socratic tutor) to understand complex concepts.